REMARKS

With the addition of new claims 27 and 28 and the cancellation of claims 9-12, claims 1-8 and 13-28 are pending in this application. Claims 1-8 and 9-28 have been rejected. In view of foregoing amendments and following remarks, the Applicant respectfully requests allowance of the Application.

Claim Rejections under 35 U.S.C. §112

Claims 1, 9, 13, 14, 21 and 24 were rejected under the second paragraph of 35 U.S.C. § 112 as indefinite, (*see* Office Action, page 2, paragraph 4).

The Office Action alleged "link" and "linkage" in claims 1, 13, 21 and 24 as unclear and asked: "Is the data regarding the receivable linked? Is the data regarding the receivable linked? Is the actual receivable linked? Does link mean associated?" (*See* Office Action, page 2, paragraph 5). Applicants respectfully submit that the claims would be well understood by people of skill in the art. In the context of a computer science invention, terms such as "link" or "linkage" are well understood to represent pointers, hyperlinks and other devices that generate an association between two data objects. The features of "link" and "linkage" are clearly defined and supported in the application. For example, at least page 2, lines 10-15 of the Specification states "[[f]]or example, it may be seen in FIG. 1 that there is no direct *logical association or link* made between the collateral agreement 100 and the receivables (e.g., receivables 1, 2, 3) that may be secured by the collateral agreement. The absence of *such a linkage* between collateral agreements and receivables generally means that determination of which receivables are associated with which collateral agreement can be troublesome." Therefore, the Specification made it clear that "link" or "linkage" means "logical association" between the collateral agreement and the receivables. The receivables may be represented by certain forms of data structure on a machine-readable medium. However, it is the receivables linked or logically associated with the collateral agreement. For at least these reasons, the features of "link" and "linkage" in claims 1, 13, 21 and 24 are not unclear, and therefore, withdrawal of the rejection is respectfully requested.

Claim 9 was rejected as allegedly unclear for specifically including the feature of "manually forming a link," (*see* Office Action, page 2, paragraph 6). Although Applicants do not

agree with the rejection on the merit, to facilitate the matter, claims 9 and its dependent claims 10-12 are herein cancelled without prejudice. Therefore, the rejection of claim 9 under the second paragraph of 35 U.S.C. §112 is rendered moot.

Claim 14 was rejected as allegedly unclear for specifically including the feature of "a plurality of portions," (*see* Office Action, page 2, paragraph 7). The feature of "a plurality of portions" is clearly defined in the application and well understood in the ordinary sense of English. For example, at least page 5, lines 20-26 of the Specification states "Creation of a collateral agreement as described in the foregoing may more particularly include *a definition of "portions" of a collateral agreement. A "portion" as used herein means a part of an overall value of the collateral agreement that is used for securing a receivable or receivables of a particular borrower or set of borrowers. A collateral agreement may be divided into portions based on different respective usages contemplated for the portions, as defined by respective declarations of purpose*. Thus, each portion may be associated with either or both of a distinct global declaration of purpose and a specific declaration of purpose." The feature of "a plurality of portions" is, therefore, clearly defined as *a part of an overall value of the collateral agreement* as provided in the context in the application. Therefore, withdrawal of the rejection of claim 14 under the second paragraph of 35 U.S.C. §112 is respectfully requested.

Claim Rejections under 35 U.S.C. §103

Claims 1-16 and 18-26 were rejected under 35 U.S.C. § 103(a) as unpatentable over U.S. Patent Publication No. 2003/0144940 ("the Kochansky reference") alone, (*see* Office Action page 2, paragraphs 8 and 9). As an initial matter and explained above, claims 9-12 have been canceled herein without prejudice, which renders the rejection of claims 9-12 moot. As further regards, it is respectfully submitted that Konchansky alone does not render unpatentable claims 1-8, 13-16 and 18-26 as amended, and the present rejection should be withdrawn, at least for the following reasons.

To reject a claim under 35 U.S.C. § 103(a), the Office bears the initial burden of presenting a *prima facie* case of obviousness. *In re Rijckaert*, 9 F.3d 1531, 1532, 28 U.S.P.Q.2d 1955, 1956 (Fed. Cir. 1993). To establish *prima facie* obviousness, three criteria must be satisfied. First, there must be some suggestion or motivation to modify or combine reference

teachings. *In re Fine*, 837 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988). This teaching or suggestion to make the claimed combination must be found in the prior art and not based on the application disclosure. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991). As clearly indicated by the Supreme Court, it is "important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the [prior art] elements" in the manner claimed. *See KSR Int'l Co. v. Teleflex, Inc.*, 127 S. Ct. 1727 (2007). In this regard, the Supreme Court further noted that "rejections on obviousness cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." *Id.*, at 1396. Second, there must be a reasonable expectation of success. *In re Merck & Co., Inc.*, 800 F.2d 1091, 231 U.S.P.Q. 375 (Fed. Cir. 1986). Third, the prior art reference(s) must teach or suggest all of the claim features. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (C.C.P.A. 1974).

Claims 1-8 Define Over Konchansky

Independent claim 1 as amended relates to a method for linking at least one receivables with a collateral agreement providing steps of providing a first data structure object representing a receivable, the receivable being unlinked to a second data structure object representing the collateral agreement, applying criteria specified in a global declaration of purpose to the receivable for determining whether to link the receivable to the collateral agreement, and if the receivable meets the criteria, automatically forming a direct link between the first data structure object representing the receivable and the second data structure object representing the collateral agreement.

The Office failed its initial burden of presenting a *prima facie* case under 35 U.S.C. §103(a) with respect to claim 1 because Konchansky alone does not disclose or suggest all features as provided in the context of claim 1. The Office Action refers to items 22 and 24 in Fig. 1, Fig. 2 and paragraph 0048 of Konchansk as allegedly disclosing "applying criteria for determining whether to [associate by transferring] a receivable to a collateral agreement", (*see* Office Action, page 3, lines 3-7). The cited parts of Konchansky merely concern an agreement that governs transferring "collateral held" in a party to "collateral pledged" in a counter party, (*see* Konchansky, paragraph 0048, lines 1-12), wherein "collateral" has been referred to as "an asset or a third-party commitment ***accepted by*** the collateral taker to secure an obligation of the collateral provider," (*see* Konchansky, paragraph 0005, lines 1-3). There is no indication of

disclosing the feature of ***the receivable being unlinked to the collateral agreement*** as provided in the context of claim 1 because Konchansky does not even mention or concern about "receivable." "Receivable" and "collateral" are plainly two different concepts in the present application, (*see* Specification, page 1, line 9)("[c]ollateral is property ***securing*** a loan or other obligation") and (*see id.* lines 22-23)(" [[a]] receivable is a generalization or abstraction of a lender's risk based on a transaction with a borrower"). It is plain that an agreement for transferring between "collateral held" to "collateral pledged," both of which have been ***accepted by*** the collateral taker as collaterals, as allegedly described in Konchansky does not disclose or suggest automatically forming a direct link between the first data structure object representing the receivable and the second data structure object representing the collateral agreement, ***the receivable being unlinked to the collateral agreement*** or in another word, the receivable yet becoming a secured collateral property in any sense at the time of linking. Therefore, Konchansky alone does not disclose or suggest all features as provided in the context of claim 1.

As further regards, the Office Action admitted that Konchansky does not disclose the feature "link." Instead, the Office Action relied on a conclusory statement that "it would have been *prima facie* obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management," (*see* Office Action, page 3, lines 24-27). As explained above, Konchansky does not concern linking between a first data structure object representing a receivable with a second data structure objective representing a collateral agreement based on criteria specified in a general declaration of purpose. Therefore, Konchansky cannot show a link between a receivable and a collateral agreement. As further regards, the Office Action conclusorily stated that "link" is disclosed in Konchansky when it is interpreted in a broad and reasonable manner. However, an applicant is his own lexicographer, and here the feature of "link" as provided in the application and explained above is plainly referred to as forming direct "logic association," which should not subject to arbitrary interpretations.

Therefore, Konchansky alone does not disclose or suggest all of the features of claim 1, so that Konchansky alone does not render unpatentable claim 1 or any of its dependent claims 2-8.

Claims 13-16 and 18-26 Define Over Konchansky

Independent claims 13, 21 and 24 include similar features to claim 1, and therefore, Konchansky alone does not disclose or suggest all of the features of claims 13, 21 and 24. Therefore, Konchansky alone does not render unpatentable claims 13, 21 and 24 or any of its respective dependent claims 14-16, 18-20, 22, 23, 25 and 26.

Claim 17 Define Over Konchansky In View of Atkins

Claim 17 was rejected under 35 U.S.C. §103(a) as unpatentable over Konchansky in view of U.S. Patent No. 4,953,085 ("Atkins"). Claim 17 ultimately depends from claim 13 and therefore, includes all features of claim 13. The secondary Atkins does not cure (nor allegedly cure) the critical deficiencies of the primary Konchansky, and therefore, claim 17 is allowable for at least the same reason as claim 13.

New Claims 27 and 28

New claims 27 and 28 do not add any new matter and are supported in the specification. Claims 27 and 28 include all features of claim 1, and therefore are allowable at least for the same reason as claim 1.

CONCLUSION

All outstanding rejections have been overcome. It is respectfully submitted that, in view of the foregoing amendments and remarks, the application is in clear condition for allowance. Issuance of a Notice of Allowance is earnestly solicited.

Although not believed necessary, the Office is hereby authorized to charge any fees required under 37 C.F.R. § 1.16 or § 1.17 or credit any overpayments to Deposit Account No. 11-0600.

The Office is invited to contact the undersigned at 202-220-4200 to discuss any matter regarding this application.

Respectfully submitted,

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